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September 16, 2008

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"Americans are tired of paying \$4 a gallon for gas while much of our vast offshore oil and gas resources go untapped," said Rep. Melancon. "While this bill isn't perfect, by opening up large sections of the outer continental shelf for drilling, this legislation will go a long way toward increasing our domestic energy production and long-term energy independence. Make no mistake, this bill is the largest opening of offshore land for oil and gas development in our nation's history, and I am proud to support it."

"I am also pleased that this bill protects Louisiana's claim to a significant share of royalties from new production off our coast, funding that will help us restore our coast and provide better hurricane protection to our communities."

"New production in the OCS will also mean new jobs for Louisianians, who will provide many of the workers and equipment needed to support expanded offshore drilling. We have decades of experience in offshore oil and gas exploration, and opening new areas to drilling presents a great opportunity for our businesses and our workers."

Rep. Melancon has been a strong supporter in Congress of increased domestic energy production, including expanding offshore oil and gas drilling. This past August, Rep. Melancon introduced a comprehensive energy bill, the FUEL Act (H.R. 6817), which would have opened up the outer continental shelf beyond 50 miles to oil and gas drilling, much like the bill passed today would. During his first term in Congress, Rep. Melancon was an original co-sponsor of the Deep Ocean Energy Resources (DOER) Act (H.R. 4761), a 2006 bill that also would have expanded oil and gas exploration on the outer continental shelf.

The legislation passed today (H.R. 6899) would help address the nation's short-term energy needs by increasing domestic energy production. In addition to the new OCS leasing, this bill would tap into a potential 1.8 trillion barrels of oil in Western oil shale. This legislation would lift the moratorium on development of oil shale in Colorado, Utah and Wyoming, giving states the option to "opt-in" to leasing. The resource potential of oil shale is estimated to be the equivalent of 1.8 trillion barrels of oil in place. Oil shale can be used for middle-distillate fuels, such as jet and diesel fuel.

Furthermore, today's energy bill recognizes that more production of oil and natural gas is needed but will not get us to energy independence alone. This bill would heavily invest in alternative energy technologies and energy efficiencies, diversifying our sources of energy and reducing our dependence on oil. This bill would also extend and expand tax incentives for renewable energy to invest \$18 billion in clean, renewable energy resources and the development greater efficiencies.

H.R. 6899 would also create the Strategic Energy Efficiency and Renewables Reserve to cover the cost of legislation designed to accelerate the use of alternative fuels; promote energy conservation; increase R&D of clean, renewable energy sources, energy efficiencies, and carbon-sequestration; and assist low-income individuals with home heating costs and weatherization.

Finally, H.R. 6899 would create jobs for Louisianians. In the United States, more than 30,000 jobs are directly related to energy exploration and production in the Gulf of Mexico, and the oil and gas industry accounts for more than 1.7 million jobs in Texas, Louisiana, Mississippi and Alabama.

"We need an energy policy that puts America on the path toward greater energy independence and invests in American workers and businesses," Rep. Melancon added. "This energy bill will allow us to tap into our wealth of offshore energy resources, while investing in renewable energy, new technologies, and greater efficiencies. This a good step forward, and I hope Congress will build on this progress in the coming months."

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